GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Housing Department – Navaratnalu–Pedalandariki Illu Programme – Phase-I – Supply of Steel to the housing beneficiaries – Modified procedure for procurement of Steel - Orders – Issued.

HOUSING (R&UH.A2) DEPARTMENT

G.O.Ms.No.10 **Dated:19.11.2021**

Read the following:-

1. G.O.Ms.No.09, Housing (R&UH.A2) Department, dated 02.12.2020.
2. From the MD, APSHCL, e-Office file bearing Comp. No.1449490

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O R D E R:-

Whereas, in the reference 1st read above, Government have issued guidelines for facilitating housing beneficiaries to get construction materials with their concern at lower rates lesser than the market rates either from the approved agency (through reverse tendering process) or any other agency of his/her choice

2. Whereas, in the reference 2nd read above, the Managing Director, A.P. State Housing Corporation Limited, while bringing to the notice of the Government the difficulties in procurement of Steel and the volatile nature of the price, has requested to modify procedure for procurement of Steel.

3. Government, after careful and detailed examination of the facts and circumstances in the matter, hereby accord permission subject to the conditions mentioned below:

i. to procure Steel through the limited tender on e-Procurement platform – Service module by empanelling the manufacturing companies duly adopting the procedure detailed below.

ii. to float District-wise tender instead of Single tender with District schedules for better price and competition among the bidders.

Conditions:

i. freezing the unit cost at Rs 1.80 lakh/per house
ii. black-listing the company in case of failure to supply the quantities as per milestones of the Purchase Order (besides forfeiting the Earnest Money Deposit (E.M.D))
iii. ensuring that the quality of Steel supplied conforms to I.S.I. standards

Procedure for procurement of Steel :-

i. Empanelment of Steel Companies :

- Notification will be issued calling for fresh empanelment of Steel Manufacturing Companies.
- Any Company can apply for empanelment with non-refundable enrollment fee of Rs 1.00 lakh.
- The documents submitted by the Companies will be verified by the SLTC and SLTC will recommend the Companies, who fulfill the criteria i.e. the production capacity of the Company in any one month in last Financial year shall be 2 times the quantity the Company willing to supply in a month to the APSHCL.
- The recommended Companies will be inspected by the V&QC wing of APSHCL. Companies will be exempted from inspection, which were already inspected during previous empanelment process by the APSHCL.

(P.T.O.)

- Based on confirmation of the Credentials by the V&QC team, the Companies will be empanelled.
- Empanelment notification will be issued once in 3 months, to include any eligible Company.
- Empanelled Company can participate in the Bid from the Next month.
- The empanelment process will be done through e-Procurement platform using the Service Module.

ii. Concluding Agreement :

- One time Agreement will be concluded with the empanelled Companies up to June, 2023 duly collecting 1% EMD against the Value of quantity (with Present rate), they are willing to supply per month to the Districts.
- If the Company fails to supply the quantity as per the time given in Purchase Order, the EMD will be forfeited and the Company will be removed from the empanelled list.

iii. Calling of Limited Tender :

- Every month demand will be collected from Districts between 20 th to 25 th based on the discretion of the beneficiary willing to take department supply steel (at the procurement rate plus Rs.1.50/- per Kg. additional which is collected towards Godown rent, Testing of Steel etc).
- Limited tenders will be floated through e-procurement platform for each District separately based on the requirement furnished by the Districts.
- Since the firms are empanelled, there will be no technical evaluation. Only Price Bid will be offered with a period of 7 days.
- Internal Bidding with Reverse Auction process among the empanelled Companies will be completed by 5 th day of next month.

iv. Approval of Rate :

- The MD, APSHCL may be authorized to approve the L1 price discovered duly negotiating with companies if required.
- Purchase orders will also be placed with the other Companies, who are willing to supply at L1 price to other districts at Discovered/ Negotiated price.
- Since the provision made for Steel in Rs.1.80 lakh estimate is not sufficient (Rs.43/-per Kg) keeping the present rate in view, it may be permitted to approve the procurement rate keeping only the local prevailing market price in to consideration.

v. Placing of Purchase Orders :

- Purchase orders will be placed against the Companies as per the rate approved to each District to supply the Steel from 6 th to 20 th of every month.

vi. Payment for the supplied quantities :

- Payment of 98% of value will be made to the Companies on receipt of confirmation in Steel Online module developed in APSHCL web site and 2% after satisfied test results as per IS code from approved institutions.

3) The Managing Director, A.P. State Housing Corporation Limited, shall take necessary further action in the matter, accordingly.

(Contd.....)

4) This order issues with the concurrence of the Finance Department vide U.O.No.FIN01-FMU0PC(WCDS)/64/2021-FMU-WDCWLETFH(C.No.1456756), dated: 22.09.2021.

5) This Order shall be published in www.apegazette.cgg.gov.in.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, A.P. State Housing Corporation Ltd.,
Autonagar, Vijayawada, Krishna District.
The Concerned,
through Managing Director, A.P.S.H.C.L., Vijayawada.
Copy to:-
The Additional Secretary to Hon'ble C.M., CMO, 1st Block, A.P Secretariat
The PS to Minister(Housing).
The PS to Chief Secretary, 1st Block, A.P Secretariat
The PS to Special Chief Secretary to Government, Housing Department.
The Finance (FMU. WD&CW, LFB&IMS & Housing) Department.
Sf / Sc (1451956)

//FORWARDED :: BY ORDER//

SECTION OFFICER